

LIBRARY OF CONGRESS

U.S. Copyright Office

[Docket No. 2016–1]

Notice of Intent to Audit

AGENCY: Copyright Office, Library of Congress.

ACTION: Public Notice.

SUMMARY: The U.S. Copyright Office is announcing receipt of twelve notices of intent to audit certain 2012 and 2013 statements of account filed by cable operators and satellite carriers pursuant to the section 111 and 119 statutory licenses.

FOR FURTHER INFORMATION CONTACT: Regan A. Smith, Associate General Counsel, by email at resm@loc.gov or by telephone at 202-707-8350; or Jason E. Sloan, Attorney-Advisor, by email at jslo@loc.gov or by telephone at 202-707-8350.

SUPPLEMENTARY INFORMATION:

I. Background

Sections 111 and 119 of the Copyright Act ("Act"), Title 17 of the United States Code, establish compulsory licenses under which cable operators and satellite carriers may, by complying with the license terms, retransmit copyrighted over-the-air broadcast programming. Among other requirements, cable and satellite licensees must file statements of account and deposit royalty fees with the U.S. Copyright Office ("Office") on a semi-annual basis.

The Satellite Television Extension and Localism Act of 2010, Pub. L. No. 111-175 (2010), amended the Act by directing the Register of Copyrights ("Register") to issue regulations to allow copyright owners to audit the statements of account and royalty fees that cable operators and satellite carriers file with the Office. *See* 17 USC 119(b)(2) (directing the Register to "issue")

regulations to permit interested parties to verify and audit the statements of account and royalty fees submitted by satellite carriers under this subsection"); 17 USC 111(d)(6) (directing the Register to "issue regulations to provide for the confidential verification by copyright owners whose works were embodied in the secondary transmissions of primary transmissions pursuant to [section 111] of the information reported on the semiannual statements of account filed under this subsection for accounting periods beginning on or after January 1, 2010, in order that the auditor designated under subparagraph [111(d)(6)(A)] is able to confirm the correctness of the calculations and royalty payments reported therein"). Following a lengthy rulemaking proceeding, the Office issued such regulations, adopting the audit process now set forth in 37 CFR 201.16. See 79 FR 68623 (Nov. 18, 2014). Section 201.16(c)(1) requires any copyright owner who intends to audit a statement of account to provide written notice to the Register no later than three years after the last day of the year in which the statement of account was filed with the Office. 37 CFR 201.16(c)(1). Such notice may be submitted by an individual copyright owner or a designated agent that represents a group or multiple groups of copyright owners. *Id.* The notice must be received in the Office on or after December 1st and no later than December 31st. Id. The Office is required to publish a notice in the Federal Register announcing the receipt of the notice of intent to audit between January 1st and January 31st of the next calendar year. Id.

II. Notices

On December 31, 2015, the Office received the below notices of intent to audit statements of account. The notices were submitted jointly by the Office of the Commissioner of Baseball, National Football League, National Basketball Association, Women's National

Basketball Association, National Hockey League, and National Collegiate Athletics Association pursuant to 37 CFR 201.16(c):

- Notice of intent to audit the statement of account filed by Verizon New York Inc. for the
 cable system serving Bethlehem, New York and the surrounding area (Licensing Division
 No. 63302) for the accounting period July 1 December 31, 2012.
- Notice of intent to audit the statement of account filed by Time Warner Cable Northeast,
 LLC for the cable system serving Dewitt, New York and the surrounding area (Licensing Division No. 7857) for the accounting period July 1 December 31, 2013.
- Notice of intent to audit the statement of account filed by Cequel Communications LLC d/b/a Suddenlink Communications for the cable system serving St. Joseph, Missouri and the surrounding area (Licensing Division No. 7850) for the accounting period January 1 – June 30, 2013.
- Notice of intent to audit the statement of account filed by MCC Missouri, LLC
 (Columbia, MO) for the cable system serving Columbia, Missouri and the surrounding
 area (Licensing Division No. 6388) for the accounting period July 1 December 31,
 2012.
- Notice of intent to audit the statement of account filed by DISH Network, LLC
 (Licensing Division No. USU600) for the accounting period July 1 December 31, 2012.
- 6. Notice of intent to audit the statement of account filed by Cox Communications Kansas LLC for the cable system serving Dodge City, Kansas and the surrounding area (Licensing Division No. 6293) for the accounting period January 1 June 30, 2013.

- 7. Notice of intent to audit the statement of account filed by Comcast of Boston Inc. for the cable system serving Boston, Massachusetts and the surrounding communities (Licensing Division No. 1240) for the accounting period July 1 December 31, 2013.
- 8. Notice of intent to audit the statement of account filed by CC Michigan LLC for the cable system serving Traverse City, Michigan and the surrounding area (Licensing Division No. 7566) for the accounting period January 1 June 30, 2013.
- 9. Notice of intent to audit the statement of account filed by Cablevision of Monmouth,

 LLC for the cable system serving Avon Borough, New Jersey and the surrounding area

 (Licensing Division No. 7823) for the accounting period July 1 December 31, 2012.
- 10. Notice of intent to audit the statement of account filed by Bright House Communications LLC for the cable system serving Orlando, Florida and the surrounding area (Licensing Division No. 10444) for the accounting period January 1 – June 30, 2013.
 - 11. Notice of intent to audit the statement of account filed by Pacific Bell Telephone Company dba AT&T for the cable system serving San Francisco and the surrounding communities (Licensing Division No. 62796) for the accounting period July 1 December 31, 2013.
- 12. Notice of intent to audit the statement of account filed by DirecTV (Licensing Division No. USU500) for the accounting period July 1 December 31, 2013.

The notices of intent to audit and relevant statements of account are available for onsite viewing at the Copyright Office. Those who wish to inspect these documents can make arrangements to do so using the contact information above.

Dated: January 20, 2016.

Jacqueline C. Charlesworth,

General Counsel and Associate Register of Copyrights U.S. Copyright Office.

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